-(c) the number of companies mentioned in part(a) about which had paid up capital of more than Rs. 10 lakhs?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. R. •BHARDWAJ): (a) 26146 companies limited fey shares were registered during the year 1991-92 under the Companies Act, 1956.

(b) There is no provision under the Companies Act for a company, to furnish information regarding foreign collaboration at the time of registration.

However, according to information available with India Investment Centre during the year 1991 and 1992 (upto March, 1992) 133 and 275 foreign collaborations were approved by the Government respectively.

(c) Newly registered companies have only Authorised Capital. During the year 1991-92 out of 26146 companies 3613 companies were having an authorised capital of more than Rs. 10 lakhs each.

Misuse of, funds by companies

4056. SHRIMATI VEENA VERMA;

' SHRI RAJUBHAI A. PARMAR;

Will the Minister of LAW, JUSTICE AND COMPANY AFFAIRS be pleased to state:

(a) whether inquiries into recent securities scam have revealed that a large number of companies do not submit their balance sheets at the end of the year in time as per requirements of the Companies Act; and indulge in large seal misappropriation of funds raised througl rights or public issues by way of specu lation and manipulation of stock mar kets;

(b) if so, what is the precise nature extent and dimensions of misuse of fund revealed; and

(c) the steps taken to prevent sucl practices?

THE MINISTER OF STATE IN THE MINISTRY OF LAW, JUSTICE AND COMPANY AFFAIRS (SHRI H. B BHARDWAJ); (a) to (c) Sixteen com panies, incorporated under the Compa nies Act, 1956, have been notified by the Custodian under Section 3(2) of the Special Court (Trial of Offences Relas ing to Transactions In Securities) Ordi nance, 1992. A statement indica) ing the last audited Balanc Sheet and Profit and Loss Account filed by the companies with the Registra of Companies, is annexed. *{See* below) Out of these, inspections of Books o accounts of only two companies viz Growmore Research & Assets Manage ment Ltd. and Growmore Leasing . Investments Ltd. were conducted under Section 209 A of the Companies Act 1956, which prima-facie revealed that these companies have not raise funds through rights or public issue. I rsspect of, 13 private companies, the ques tion of making a rights or public issu does not arise, as the relevant provisior of the Act are not applicable to privai companies. In respect of Fairgrowt Financial Services Ltd., as per availab information, the company has not mac any public issue.

Statement

Sl. No.	Names of the Companies	Last audited Balance Sheet and Profit & Loss Account filed with Registrar of Companies.	Action taken
1.	Growmore Research & Assets Management Ltd.	31.3.90	Prosecution for default in filing the Annual Accounts for the year ending 31.3.91 has been filed. Annual Accounts for the year ending 31.3.92 are not yet due to be filed.
2.	Aatur Holding Pvt. Ltd.	31.3.90	Do.
3.	Harsh Estates Pvt. Ltd.	31.3.90	Do.
4.	Growmore Exports Pvt. Ltd.	31.3.90	Do.
5.	Growmore Leasing & Investments Ltd.	31.3.90	Do.
6.	Orion Travels Pvt. Ltd.	31.3.90	Do.
7.	Fortune Holdings Pvt. Ltd.	31.3.90	Do.
8.	Cascade Holdings Pvt. Ltd.	31.3.90	Do.
9.	Treasure Holdings Pvt. Ltd.	Nil (not due)	First Balance Sheet not yet due for filing.
10.	Velvet Holdings Pvt. Ltd.	Do.	Do.
11.	Eminent Holdings Pvt. Ltd.	Do.	Do.
12.	Pallavi Holdings Pvt. Ltd.	Do.	Do.
13.	Zest Holdings Pvt. Ltd.	Do.	Do.
14.	Topaz Holdings Pvt. Ltd.	Do.	Do.
15.	Divine Holdings Pvt. Ltd.	Do.	Do.
16.	Fairgrowth Financial Services Ltd.	31.3.91	Annual Accounts for the year ending 31.3.92 are not yet due to be filed.